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INTRODUCTION

If there is any sales activity, there is a seller and a buyer. But what is essential between this is that there should be a product. A product can be a needle or an aircraft. But for a user it is a means of satisfying an unsatisfied need. A product like fashion has to be updated time and again; else, it will fail in the Market.

For an updated, a products performance has to be checked time and again, and thus a research has to be carried out, whenever the performance declines of a product. A detail study should be done and corrective action should be done with in immediate effect.

Within the frame work of a realist view of the physical world, there are two general theories of the nature of perception. The first is Strong Direct Realism (SDR). This accepts a realist view of physical world, and claims that our perceptual access to this world is psychologically direct. The second is the Broad Representative Theory (BRT). This too a realist view of the world, but claims that perceptual contact with physical items is always psychologically mediated, i.e. it is constituted by the not in itself physical-item perceptive, and certain additional facts. SRD cannot be provide a satisfactory the phenomenal content of the perception and how such content features in the securing the perceptual contact. BRT cannot explain how we can have genuine perceptual access to

the physical world at all. In the face of dilemma, the only way of providing a satisfactory account of perception is by abandoning the assumption of physical realism and adopting an idealist view of the physical world. Thos view can, in any case be established as correct by independent argument.

Everyone is exposed to various risks. Future is very uncertain, but there is way to protect one's family and make one's children's future safe. Life Insurance companies help us to ensure that our family's future is not just secure but also prosperous.

BACKGROUND OF THE STUDY

“Life Insurance is a contract for payment of a sum of money to the person assured on the happening of the event insured against”. Usually the insurance contract provides for the payment of an amount on the date of maturity or at specified dates at periodic intervals or at unfortunate death if it occurs earlier. Obviously, there is a price to be paid for this benefit. Among other things the contracts also provides for the payment of premiums , by the assured.

Life Insurance is universally acknowledged as a tool to eliminate risk, substitute certainty for uncertainty and ensure timely aid for the family in the unfortunate event of the death of the breadwinner. In other words, it is the civilized world's partial solution to the problems caused by death. Life insurance helps in two ways dealing with premature death, which leaves dependent families to fend for themselves and old age without visible means of support.

THERE ARE MANY LIFE INSURANCE COMPANIES LIKE

- LIC
 - HDFC Standard Life Insurance Company
 - ING Vysya
-
-

-
- Met Life Insurance
 - TATA AIG
 - Birla Sunlife
 - ICICI Prudential
 - OM Kotak Mahindra
 - Max New York Life Insurance
 - Bajaj Alliance etc.,

Who are offering different Life Insurance Plans like

- a) Protection plus savings plan
- b) Protection plus Liquidity plan
- c) Protection plus Asset Building plan
- d) Investment Plan
- e) Pension plan etc,

This study will help the companies to understand the consumers perception about different life insurance policies.

LIFE INSURANCE

Life insurance is a contract providing for a payment of a sum of money to the person assured or failing him to the person entitled to receive the same on the happening of certain event. Uncertainty of death is inherent in human life. It is this risk, which gives rise to the necessity for some form of protection against the financial loss arising from death. Insurance substitutes this uncertainty by certainty.

The objective of insurance is normally to provide:

- a. Family protection and
- b. Provision for old age.

MEDICAL INSURANCE

It refers to a contract wherein the Insurer (company) compensates to the Insured (person) a sum of money for the regular payment of premium on the health of his own or to his

family members for the ill health caused. Apart from the usual risk cover, the policy provides amount for medical expenses in case of the policy holder getting any of the specified diseases like cancer, tuberculosis, heart attacks, diabetes, etc.,

BENEFITS OF LIFE INSURANCE POLICIES

1) Superior to any other savings plan:

Unlike any other savings plan, a life insurance policy affords full protection against risk of death. In the event of death of a policy holder, the insurance company makes available the full sum assured to policy holder's near and dear ones. In comparison, any other savings plan would amount to only the total savings plan accumulated till date. If the death occurs prematurely, such savings can be much less than the sum assured which means that the potential financial loss to the family is sizable.

2) Encourages and Forces Thrifts:

A saving deposit can easily be withdrawn. The payment of life insurance premium, however, is considered sacrosanct and is viewed with the same seriousness as the payment of interest on a mortgage. Thus, a life insurance policy in effect brings about compulsory savings.

3) Easy settlement and protection against creditors:

A life insurance policy is the only financial instrument the proceeds of which can be protected against the claims of a creditor of the assured by effecting a valid assignment of the policy.

4) Administering the Legacy for Beneficiaries:

Speculative or unwise expenses can quickly cause the proceeds to be squandered. Several policies have foreseen this possibility and provide for payment over a period of years or in a combination of installments and lump sum amounts.

5) Ready Marketability and suitability for quick borrowing:

A life insurance policy can, after a certain time period (generally three years) be surrendered for a cash value. The policy is also acceptable as a security for a commercial loan, for example, a student loan.

6) Disability Benefits:

Death is not the only hazard that is insured; many policies also include disability benefits. Typically, these provide for waiver of future premiums and payment of monthly installments spread over a certain time period.

7) Accidental death Benefits:

Many policies can also provide for an extra sum to be paid (typically equal to the sum assured) if death occurs as a result of accident

HISTORY AND PRESENT STATUS OF INSURANCE MARKET IN INDIA

The insurance sector in India has come a full circle from being an open competitive market to nationalization and back to a liberalized market again. Tracing the developments in the Indian insurance sector reviles the 360-degree turn witnessed over a period of almost two centuries.

A BRIEF HISTORY OF THE INSURANCE SECTOR

The business of life insurance in India in its existing form started in India in the 1818 with the establishment of Oriental Life Insurance Company in Calcutta. **Some of the important milestones in the life insurance business in India are:**

1912: The Indian Life Assurance Companies Act enacted as the first statute to regulate the life insurance business.

1928: The Insurance Companies Act enacted to enable the government to collect statistical information about both life and non – insurance business.

1938: earlier legislation consolidated and amended to by the Insurance Act with the objective of protecting the interest of the insuring public.

1956: 245 Indian and foreign insurers and provident societies are taken over by the central government and nationalized. LIC found by an Act of Parliament, viz. LIC Act 1956, with a capital contribution of rupees Five Crore from the Government of India.

INSURANCE SECTOR REFORMS

In 1993, Malhotra Committee, headed by former Finance Secretary and RBI Governor R.N. Malhotra, was formed to evaluate the Indian insurance industry and recommend its future direction. The Malhotra committee setup with the objective of complimenting the reforms initiated in the financial sector. The reforms where aimed at “creating a more efficient and competitive financial system suitable for the requirements of the economy keeping in mind the structural changes currently underway and recognizing that insurance is an important part of the overall financial system where it was necessary to address the need for similar reforms...”

In 1994, the Committee submitted the report and some of the key recommendations included:

i. Structure

- Government stake in the insurance companies to be brought down to 50%.
- Government should take over the holdings of GIC and its subsidiaries so that these subsidiaries can act as independent corporations.
- All the insurance company should be given greater freedom to operate.

ii.Competition

- Private companies with a minimum paid up capital of Rs. 1bn should be allowed to enter the industry.
- No company should dealing both the life and general insurance through a single entity.
- Foreign companies may be allowed to enter the industry in collaboration with the domestic companies
- Postal Life Insurance should be allowed to operate in the rural market.
- Only one State Level Life Insurance Company should be allowed to operated in each state

iii.Regulatory body

- The Insurance Act should be changed.
 - An insurance regulatory body should be setup.
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THE INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY

Reforms in the Insurance sector were initiated with the passage of the IRDA Bill in Parliament in December 1999. The IRDA since its incorporation as statutory body in April 2000 has fastidiously stuck to its schedule of framing regulations and registering the private sector insurance companies.

The other decision taken simultaneously to provide the supporting systems to the insurance sector and in particular the life insurance companies was the launch of the IRDA's online service for issue and renewal of license to agents.

The approval of institutions for imparting training to agents has also ensured that the insurance companies would have trained work force of insurance agents in place to sell their products, which are expected to be introduced by early next year.

Since being set up as an independent statutory body the IRDA has put in a framework of globally compatible regulations. In the private sector 12 life insurance and 6 general insurance companies have been registered.

INDIAN INSURANCE MARKET

Insurance is an Rs 400 billion business in India, and together with banking services adds about 7% to India's GDP. Gross premium collection is about 2% of GDP and has been growing by 15 to 20% per annum. India also has the highest number of life insurance policies in force in the world, and total investable funds with the LIC are almost 8% of GDP. Yet more than three fourth of India's insurable population has no life insurance or

pension cover. Health insurance of any kind is negligible and other forms of non life insurance are much below international standards.

To tap the vast insurance potential and to mobilize long term savings we need reforms with include revitalizing and restructuring of the public sector companies, and opening up the sector to private players. A statutory body needs to be made to regulate

The market and promote a healthy market structure. Insurance Regulatory Authority (IRA) is one such body, which checks on these tendencies. IRA role comprises of following three functions:

- a. Protection of consumer's interest
- b. To ensure financial soundness and solvency of the insurance industry
- c. To ensure healthy growth of insurance market.

An insurance policy protects the buyer at some cost against the financial loss arising from a specified risk. Different situations and different people require a different mix of risk – cost combinations. Insurance companies provide these by offering schemes of different kinds.

Unfortunately the concept of insurance is not popular in our country. As per the latest estimates, the total premium income generated by life and general insurance in India is estimated at around 1.95% of GDP. However India's share of world insurance market has shown an increase of 10% from 0.31% in 1996-97 to 0.34% in 1997-98. India's market share in the life insurance business showed a real growth of 11% thereby outperforming global average of 7.7%. Non life insurance business grew by 3.1% against global average of 0.20%. In India insurance pending per capita was among the last in the world at \$7.6 compared to \$7 in the previous year. Amongst the emerging economies, India is one of the least insured countries but the potential for further growth is phenomenal, as a significant portion of its population is in services and the life expectancy also increased over the years.

The nationalized insurance industry has not offered consumers a variety of products. Opening of the sector to private firms will foster competition, innovation and variety of products. It would also generate greater awareness on the need for buying insurance as a service and not merely for tax exemption, which is currently done on the demand side, a

strong correlation between demand for insurance and per capita income level suggests that high economic growth can spur growth in demand for insurance. Also there exists a strong correlation between insurance density and social indicators such as literacy. With social development, insurance demand will grow.

LIFE INSURANCE MARKET IN INDIA

Life Insurance Statistics	
Indian population	1 bn
GDP as on 2000 (Rs bn)	20000 bn
Gross Domestic Saving as a % of GDP	23%
NCAER estimate of insurance Population	240 mn
Estimated market by 2005	650 mn

India has an enormous middle class that can afford to buy life, health, and disability and pension plan products. The low level of penetration of life insurance in India compared to other developed nations can be judged by a comparison of per capita life premium.

Country	Life premium per capita US \$ in 1994
Japan	3817
UK	1280
USA	964
India	4

Clearly, there is considerable scope to raise per capita life premium if the market is effectively tapped.

India has traditionally been a high savings oriented country – often described as being on par with thrifty Japan. Insurance sector in the US is as big in the size as the banking industry there. This gives us an idea of how important is the sector is. Insurance sector canalizes the saving of the people to long-term investments. In India where infrastructure is said to be critical importance, this sector will bring the nations own money for the nation.

In three years time we would expect the 10% of the population to be under some sort of an insurance cover. This assuming a premium of Rs. 5000 on an average, 100 million Rs. 5000 = Rs. 500 bn. This has made the sector the hottest one in India after IT. With social security and security to the public at large being the agenda for opening the sector, the role of the regulator becomes all the more serious and one that would be care fully watched at every step.

The Insurance Regulator and Development bill is now an Act. With this India in now the cynosure of all the global insurance players. Numerous player, both Indian and foreign have announced their intention to start their insurance shops in India. IRDA, under chairman ship of Mr. RANGACHARI, opened the window for applying license in India. One of the main deference between the developed economies and the emerging economies is that insurance products are bought in the former while these are sold in later. Focus of insurance industry is changing towards providing a mix of both protection/risk cover and long-term investment opportunities.

WHO'S GOING WITH WHOM?

Indian company	Foreign partner
Kotak Mahindra	Chubb
Tata Group	AIG
Sundaram Finance	Winterthur
Sanmar Group	GIO of Australia
Spic	Met Life
ILFS	Cigna
Bajaj	Allianz
20th Century	Canada Life
Vysya Bank	ING
Cholmandalam	Axa
SBI	Alliance Capita
HDFC	Standard Life
ICICI	Prudential
Hindustan Times	Commercial Union
IDBI	Principal
Max India	New York

CHAPTER – II

RESEARCH DESIGN

A STUDY ON CONSUMER PERCEPTION TOWARDS BAJAJ ALLIANZ LIFE INSURANCE

STATEMENT OF THE PROBLEM

The market is more aware and realistic about investment and returns from insurance products. This study tries to analyze the investors perception towards insurance products in general and Bajaj Allianz in particular.

OBJECTIVES OF THE STUDY

- ▶ To understand the attitudes and perception of respondents towards insurance products.
- ▶ To study the respondents awareness towards BAJAJ ALLIANZ.
- ▶ To know people perception towards investments available in the market and their risk perception.
- ▶ To offer suggestion based upon the findings.

SCOPE OF THE STUDY

To provide adequate details to BAJAJ ALLIANZ to help them to know the satisfaction level of the customers on the ULIP Plans of BAJAJ ALLIANZ and factors they considered for selecting ULIP and also to know the customer satisfaction regarding the services provided by the Company so as to improve the services and features of ULIP.

SAMPLING

Sample size denotes the number of elements selected for the study. For the present study, 50 respondents will be selected at random. All the 50 respondents are the customers of one or another insurance company.

METHODOLOGY

The study will be conducted as an exploratory sampling survey method to collect primary and secondary data.

Primary Source of Data

► Primary data will be collected by well-structured questionnaire will be personally administrated to the selected sample to collect the data.

Secondary Data

Two types of secondary data are collected for the preparation of the project work:

► **Internal Data** will be generated from company's brochures, manuals and annual reports.

► **External Data**, on the other hand, will be generated from magazines, research books and internet (websites).

PLAN OF ANALYSIS

The data collected will be analyzed by using statistical tools and will be presented in the form of bar diagrams and pie charts.

LIMITATION OF THE STUDY

- ▶ Response in case of sensitive questions may not be true.
- ▶ The study is limited to only Bangalore due to time and cost factors.

OPERATIONAL DEFINITIONS OF THE STUDY

1. Marketing:

Marketing is a social and managerial process by which individuals and group obtain what they need and want through creating, offering and exchanging products of value with others.

2. Marketing Management:

Marketing Management is the process of planning and executing the conception, pricing, promotion and distribution of individual and organizational goals.

3. Marketing Research:

Marketing research is the systematic and objective search for, and analysis of information relevant to the identification and solution of any problems in the field of marketing.

4. Consumer Behavior:

Consumer behavior is the study of how individuals make decisions to spend their available resources [time, money, efforts] on consumption related items.

5. Consumer Research:

Consumer research is the methodology used to study consumer behavior.

6. Market Segmentation:

Market segmentation is the process of dividing a market in the distinct subsets of consumer with common needs or characteristics and selecting one or more segments to target with distinct marketing mix.

7. Positioning:

Positioning is the act of designing the company's offering and image so that they occupy a meaningful and distinct competitive position in the target consumer's mind.

Perception:

Perception is the process by which an individual selects, organizes, and interprets information input to create meaningful picture of the world. For a marketer to influence a motivated buyer to buy their products rather than a competitors they must be careful to take the perception process into account while designing their marketing campaigns. Perception therefore influence what product consumer buys.

Brand:

A brand is a name, term, sign, symbol, or design or a combination of them, used to identify the goods or services of one seller or group of seller and the differentiate them from those of competitors.

Attitude:

An attitude is a person enduring favorable or unfavorable evaluation, emotional feeling, and action tendencies towards some object or idea

Values:

A value is a concept of the desirable. An internalized standard of evaluation a person possession. This standards determine or guide an individual evaluation of the many objects encountered in everyday life.

Attributes:

Attributes are the strengths and weaknesses of a brand that create attitudes and are used by consumers to choose between brands that are relatively similar or functionally equivalent.

CHAPTER SCHEME

CHAPTER 1: INTRODUCTON

This chapter talks about the importance of life insurance policies and consumer perception of life insurance policies.

CHAPTER 2: RESEARCH DESIGN

Design of the study includes Statement of problem, Scope of the study, Objectives of the study, Review of literature, Research design, Sample design, Sources of data, Field work, Operational definition of the study, Limitations of the study.

CHAPTER 3: PROFILE OF THE INDUSTRY

This chapter views the origin and growth of the Industry, Present status of Industry, profile of the companies, and profile of sample unit.

CHAPTER 4: DATA ANALYSIS & INTERPRETATION

In this chapter the data collected is compiled, processed and analyzed. A brief description of the findings are given in this chapter.

CHAPTER 5: SUMMARY OF FINDINGS, SUGGESTIONS & CONCLUSIONS

BIBIOGRAPHY

ANNEXURE

CHAPTER – III

PROFILE OF THE COMPANY

Bajaj Allianz Life Insurance Co. Ltd. is a joint venture between two leading conglomerates- Allianz AG, one of the world's largest insurance companies, and Bajaj Auto, one of the biggest 2 and 3 wheeler manufacturers in the world.

BAJAJ ALLIANZ LIFE INSURANCE

- Is the fastest growing private life insurance company in India
- Currently has over 4,40,000 satisfied customers
- We have a presence in more than 550 locations with 60,000. Insurance Consultant providing the finest customer service.
- One of India's leading private life insurance companies

WHY BAJAJ ALLIANZ?

An Impeccable track record across the globe in providing security and cover for you and your family...Here, at Bajaj Allianz, realize that you seek an insurer who you can trust your hard earned money with. Allianz AG with over 110 years of experience in over 70 countries and Bajaj Auto, trusted for over 55 years in the Indian market, together are committed to offering you financial solutions that provide all the security you need for your family and yourself

KEY ACHIEVEMENTS

- Races past GWP of over Rs. 1001 Cr, with growth of over 357% over previous year's GWP of Rs. 219 Cr.
- FYP of Rs 860 cr a 380% growth over last year's FYP of Rs 179 cr.
- Rocketed to No. 2 position as against No 6 at the end of last financial year amongst pvt Life Insurance cos. with a clear lead of Rs 240 cr
- Fastest growing insurance company with 380% growth.
- Market share jumps almost 4 times from 0.95 % to 3.39 % amongst all life Insurance cos.
- Increased its product portfolio from 7 to 19 simple and flexible products
- Launched complete suite of employee benefit solutions (Group products for corporate)

ALLIANZ GROUP

Allianz Group is one of the world's leading insurers and financial services providers.

Founded in 1890 in Berlin, Allianz is now present in over 70 countries with almost 174,000 employees. At the top of the international group is the holding company, Allianz AG, with its head office in Munich.

Allianz Group provides its more than 60 million customers worldwide with a comprehensive range of services in the areas of

- Property and Casualty Insurance
- Life and Health Insurance
- Asset Management and Banking

ALLIANZ AS A GLOBAL FINANCIAL POWERHOUSE

-
- Worldwide 2nd by Gross Written Premiums - Rs.4, 46,654 cr.
 - 3rd largest Assets under Management (AUM) & largest amongst Insurance cos. - AUM of Rs.51, 96,959 cr.
 - 12th largest corporation in the world
 - 49.8 % of global business from Life Insurance
 - Established in 1890, 110 yrs of Insurance expertise
 - 70 countries, 173,750 employees worldwide

BAJAJ GROUP

Bajaj Auto Ltd, the flagship company of the Rs. 8000 crore Bajaj group is the largest manufacturer of two-wheelers and three-wheelers in India and one of the largest in the world.

A household name in India, Bajaj Auto has a strong brand image & brand loyalty synonymous with quality & customer focus.

A STRONG INDIAN BRAND- HAMARA BAJAJ

- One of the largest 2 & 3 wheeler manufacturers in the world.
 - 21 million+ vehicles on the roads across the globe
 - Managing funds of over Rs 4000 cr.
 - Bajaj Auto finance one of the largest auto finance cos. in India
 - Rs. 4,744 Cr. Turnover & Profits of 538 Cr. in 2002-03
 - Financial strength and stability to support the Insurance Business
 - As a promoter of Bajaj Allianz Life Insurance Co. Ltd., Bajaj Auto has the following to offer
 - It has joined hands with Allianz to provide the Indian consumers with a distinct option in terms of life insurance products.
 - A strong brand-equity.
 - A good market reputation as a world class organization
 - An extensive distribution network.
-

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- Adequate experience of running a large organization.

HISTORY AND DEVELOPMENT OF LIFE INSURANCE

1. Life Insurance, in its present form, came to India from the United Kingdom with establishment of a British firm, Oriental Life Insurance Company in Calcutta in 1818, followed by Bombay Life Assurance Company in 1823, the Madras Equitable Life Insurance society in 1829 and Oriental Government security Assurance Company in 1874. Prior to 1871, Indian Lives were treated as sub-standard and charged an extra premium of 15% to 20%. Bombay Mutual Life Assurance Society, a Indian insurer which came into existence in 1871 was the first to cover Indian lives at normal rates.

2. The Indian life Assurance Companies Act, 1912 was the first statutory measure to regulate life insurance business. Later, in 1928, the Indian Insurance Companies Act was enacted, to enable the government to collect statistical information about both life and non-life insurance business transacted in India by Indian and foreign insurers, including the provident insurance societies. Comprehensive arrangement were, however, brought into effect with the enactment of the Insurance Act, 1938. Efforts in this direction continued progressively and the act was amended in 1950, making far-reaching changes, such as requirement of equity capital for companies carrying on life insurance business, ceiling on share holdings in such companies, submission of periodical return relating to investments and such other information to the controller of insurance as he may call for, appointment of administrator for mismanaged companies, ceiling on expenses of management and agency commission, incorporation of the Insurance association of India and formation of councils and committees there of.

3. By 1956, 154 Indian insurers, 16 non-Indian insurers and 15 provident societies were carrying online insurance business in India. On 19th January 1956, the management of the

entire life insurance business of 229 Indian insurers and provident insurance societies and the Indian life insurance business of 16 non-Indian Life insurance companies then operating in India, was taken over by the central Government and then nationalized on 1st September 1956 when the Life Insurance Corporation came into existence.

REFORMS AND IMPLICATIONS

The liberalization of the Indian insurance sector has been the subject of much heated debate for some years. The sector is finally set to open up to private competition. The Insurance Regulatory and Development Authority bill will clear the way for private entry into insurance as the government is keen to invite private sector participation into insurance. To address those concerns, the bill requires direct insurers to have a minimum paid-up capital of Rest. 1 billion, to invest policy holder's funds only in India; and to restrict international companies to a minority equity holdings of 26 percent in any new company. Indian Promoters will also have to dilute their equity holding to 26 percent over a 10 year period.

Over the past three year, around 30 companies have expressed interest in entering the sector and many foreign and Indian companies have arranged alliances. Whether the insurer is old or new, private or public, expanding the market will present challenges. A number of foreign Insurance Companies have set up representative offices in India and have also tied up with various asset management companies. Some of the Indian companies which have tied up with International partners are.

Indian Partners	International Partners
Alpic Finance	Allianz Holding, Germany
Tata	American Int. Group, US
CK Birla Group	Zurich Insurance, Switzerland
ICICI	Prudential, UK
Sundaram Finance	Winterthur Insurance, Switzerland
Hindustan Times	Commercial Union, UK
Ranbaxy	Cigna, US
HDFC	Standard Life, UK
Bombay Dyeing	General Accident, UK
DCM Shriram	Royal Sun Alliance, UK
Dabur Group	Liberty Mutual Fund, US

Kotak Mahindra	Chubb, US
Godrej	J Rothschild , UK
Sanmar Group	Gio, Australia
Cholamandalam	Guardian Royal Exchange, UK
SK Modi Group	Legal and General, Australia
20th Century Finance	Canada Life
M A Chidambaram	Met Life
Vysya Bank	ING

The likely impact of opening up of India's insurance sector is that private players may swamp the market. International insurers often derive a significant part of their business from multinational operations. Multinational insurers are indeed keenly interested as, perhaps their home markets are saturated while emerging countries have low insurance penetration and high growth rates. A small share of a large and growing market can be profitable and attractive.

TYPE OF LIFE INSURANCE POLICIES

WHOLE LIFE INSURANCE

Whole life is a form of permanent insurance, with guaranteed rates and guaranteed cash values. It is the least flexible form of permanent insurance.

UNIVERSAL LIFE INSURANCE

Universal life is similar to whole life, except that you can change the death benefit (the money paid to the beneficiary when the insured person dies), the amount of premiums and how often you pay the premiums.

VARIABLE LIFE INSURANCE

Variable life insurance is the riskiest form of permanent insurance, but it can also give you the best return for your money. Essentially, the life insurance company will invest your insurance premiums for you. If the investments do well, the death benefit and cash

value of the policy go up. If they do poorly, they go down. It's a little like putting your savings into the stock market.

GROUP LIFE INSURANCE

Many companies allow their employees to buy group life insurance through the company. Usually, you can get very good rates for this insurance but you have to give the insurance up when you stop working there. For that reason, group insurance can be a good way to buy a little extra life insurance, but it does not make sense to make it your main policy.

There are a number of policies for specific insurance needs. Some of these include:

1.Family income life insurance.

This is a decreasing term policy that provides a stated income for a fixed period of time, if the insured person dies during the term of coverage. These payments continue until the end of a time period specified when the policy is purchased.

2.Family insurance.

A whole life policy that insures all the members of an immediate family -- husband, wife and children. Usually the coverage is sold in units per person, with the primary wage-earner insured for the greatest amount.

3.Senior life insurance.

Also known as graded death benefit plans, they provide for a graded amount to be paid to the beneficiary. For example, in each of the first three to five years after the insured dies, the death benefit slowly increases. After that period, the entire death benefit is paid to the beneficiary. This might be appropriate if the beneficiary is not able to handle a large amount of money soon after the death, but would be in a better position to handle it a few years later.

4. Juvenile insurance.

This is life insurance on a child. Coverage is paid for by an adult, usually the parents or guardians. Such policies are not considered traditional life insurance because the child is not producing an income that needs to be protected. However, by buying the policy when the child is young, the parents are able to lock in an extremely low premium rate and allow many more years of tax-deferred cash value buildup.

5. Credit life insurance.

This insurance is designed to pay off the balance of a loan if you die before you have repaid it. Credit life insurance is available for many kinds of loans including student loans, auto loans, farm equipment loans, furniture and other personal loans including credit cards. Credit life insurance can be purchased by an individual. Usually it is sold by financial institutions making loans, like banks, to borrowers at the time they take out the loan. If a borrower dies, the proceeds of the policy repays the loan directly to the lender or creditor.

6. Mortgage insurance

This decreasing term coverage is designed to pay off the unpaid balance of a mortgage if you die before the mortgage is paid off. Premiums are generally level throughout the term of the policy. The policy is usually independent of the mortgage, meaning that the financial institution granting the mortgage is separate from the insurance company issuing the policy. The proceeds of the policy are paid to the beneficiaries of the policy, not the mortgage company. The beneficiary is not required to use the proceeds to pay off the mortgage

7. Annuity

An annuity is a form of insurance that enables you to save for your retirement. Basically, you give the insurance company money for a certain period of time, and then after you retire they will pay you a certain amount of money every year until you die. There are many different forms of annuities. . Most people who buy annuities are 55 or older

PROFILE OF THE ORGANISATIONS:

LIFE INSURANCE CORPORATION OF INDIA

Life Insurance corporation of India was formed in September 1956 by passing LIC Act, 1956 in Indian parliament. On the nationalization of the life insurance in 1956, the premium rating of Oriental Government security life Assurance company were adopted by LIC with a reduction of 5% of the tabular premium or Re. 1 per thousand sum assured, whichever was less. This reduction was made in anticipation of economies of scale that would emerge on the merger of different insurers in a single entity.

Life Insurance Corporation Of India - there are many things to consider as Life Insurance Corporation Of India offers various insurance products which are very complex, but underlying this complexity is a simple fact. The building blocks for all Life Insurance Corporation Of India are (1) investment return; (2) mortality experience; and (3) expense management; for your Life Insurance Corporation Of India

OBJECTIVES OF LIC

- Spread Life Insurance much more widely and in particular to the rural areas and to the socially and economically backward classes with a view to reaching all insurable persons in the country and providing them adequate financial cover against death at a reasonable cost.
- Maximize mobilization of people's savings by making insurance-linked savings adequately attractive.
- Bear in mind, in the investment of funds, the primary obligation to its policyholders, whose money it holds in trust, without losing sight of the interest of the community as a whole; the funds to be deployed to the best advantage of the investors as well as the community as a whole, keeping in view national priorities and obligations of attractive return.
- Conduct business with utmost economy and with the full realization that the moneys belong to the policyholders.
- Act as trustees of the insured public in their individual and collective capacities.
- Meet the various life insurance needs of the community that would arise in the changing social and economic environment.
- Involve all people working in the Corporation to the best of their capability in furthering the interests of the insured public by providing efficient service with courtesy.

Promote amongst all agents and employees of the Corporation a sense of participation, pride and job satisfaction through discharge of their duties with dedication towards achievement of Corporate Objective

VISION

"A trans-nationally competitive financial conglomerate of significance to societies and “Pride of India “

MISSION

"Explore and enhance the quality of life of people through financial security by providing products and services of aspired attributes with competitive returns, and by rendering resources for economic development"

VARIOUS POLICIES OFFERED BY LIFE INSURANCE CORPORATION OF INDIA ARE

1. Whole Life Schemes

- Whole life with profit
- Limited payment whole life
- Single Premium whole life
- Convertible whole life plan

2. Endowment Schemes

- Endowment plan with profit
- Limited payment Endowment
- Jeevan Mitra (Double Cover)
- Jeevan Mitra (Triple cover)
- Bhavishya Jeevan
- Jeevan Anand
- New Jana Raksha

3. Term Assurance Plan

- Anmol Jeevan
 - Year Term Assurance
 - Convertible Term
 - New Bima Kiran
-
-

4. Plan for needs of Children

- Komal Jeevan
- Jeevan Sukanya
- Jeevan Kishore
- Jeevan Balya
- Jeevan Chaya
- Marriage/educational annuity
- Deffered Endowment

5. Periodic Money Back Plan

- Jeevan Samridhi
- Jeevan Rekha Plan
- Money Back Plan
- Jeevan Surabhi
- Jeevan bharathi

6. Medical benefits linked insurance

- Asha Deep II
- Jeevan Asha II

7. For benefits to Handicapped

- Jeevan Aadhar
- Jeevan Vishwas

8. Plans to cover housing loans

- Mortgage redemption

9. Joint life plan

- Jeevan sathi

10. Investment plan

- Bima Nivesh Triple cover

11. Capital market linked plan

- Bima plus.
-

DESCRIPTION OF THE LIC POLICIES

WHOLE LIFE PLAN:

Whole life plan are those policies which life assured has to pay premiums till his death the sum assured will be paid to his dependent generally 70 years is assumed as a maximum age for payment of premium. Under the whole life premium are payable throughout the life time of the life assured and this is the cheapest form of policy.

This plan is ideally suited to person who want maximum provision for his family at minimum cost. It also meets the needs for funds required for funeral, religious rites and ceremonies to be performed, tax liabilities if any and expenses connected with the last sickness and hospital charges etc.

ENDOWMENT ASSURED PLAN:

Endowment plans are not covering the risk for whole life of the life assured. The term of risk cover under this plan is as per the need of life assured. Endowment assurance plan are the most popular. They are eminently Suited to meet it one policy the twin demands of old age provision and risk cover for family. The sum assured is payable on maturity or at death if earlier. Thus an Endowment Assurance Policy provides for retirement and also serves as a means of family provisions.

TERM ASSURANCE

Under the term assurance the risk cover is generally for specific short term. Such term assurance is maximum for 2 years. Generally this type of assurance is useful for air traveling.

MONEY BACK PLANS

Under this plan specific percentage of sum assured will be backed to the life assured after specific period of time. This plan is of special interest to person who besides desiring to provide for their own old age and family feel the need for lumpsum benefits at periodical

intervals. Under these policies part of the sum assured is paid to the life assured in instalments at selected intervals.

CHILDREN PLAN

Under the children plans the risk on the life of the children where covered generally this type of plans are helpful in education and marriage of the children.

- **Jeevan Balya**

This plan is designed to enable a parent to provide for the child by payment of a very low premium an Endowment Assurance Policy, the risk under which will commence from the vesting date. In addition, Premium benefit and income benefit are included as additional benefit by payment of appropriate additional premium during the deferment period. This policy shall be cancelled in case the life assured shall die before the deferred dates and in such an event provided the policy is then in full force in for a reduced cash option.

- **Jeevan Kishore**

This plan is an improvement of the existing New Children Deferred Assured Plan where in children both male and female between the age of 1 to 12 are eligible to be proposed for insurance. The policy automatically vests in the life assured on the policy anniversary falling or on immediately following his/her attaining majority. The risk commences either two years after the date of commencement of the policy or from the policy anniversary falling immediately after the completion of seven years of age whichever is later.

- **Marriage Endowment/ educational annual plan**

Every father desires to see that his children are well settled in life through sound education, leading to good jobs and happy marriage. These needs arise at ages which can be approximately anticipated. Say when the children are between 18 to 25 year of age. This plan provides for a sum assured to kept aside to meet marriage educational expenses of children. Under this plan the S A along with the vested bonus shall be payable at the end of the selected term either is lumpsum or in ten half yearly installment, at the option of the life assured nominee beneficiary.

- **Jeevan Mitra**

This plan provides additional insurance cover equal to the sum assured in the event of death during the term of policy so that the total insurance cover in the event of death is twice the basic sum assured i.e. the basic sum assured is doubled and the accrued bonus is also paid.

ING VYSYA LIFE INSURANCE

ING Vysya Life Insurance Company Private Limited entered the private life insurance industry in India in September 2001, and in a short span of 18 months has established itself as a distinctive life insurance brand with an innovative, attractive and customer friendly product portfolio and a professional advisor force. It also distributes products in close cooperation with its sister company ING Vysya Bank through Bank assurance. Currently, it has over 3000 advisors working from 22 locations across the country and over 300 employees. ING Vysya Life Insurance Company is headquartered at Bangalore and has established a strong presence in the cities of Delhi, Mumbai, Kolkata, Hyderabad and Chennai. In addition ING Vysya Life operates in Vizag, Vijaywada, Mangalore, Mysore, Pune, Nagpur, Chandigarh, Ludhiana and Jaipur.

ING Vysya Life has pioneered product innovations in the Indian life insurance market with customer-oriented cash bonus endowment and money back products. (Reassuring Life and Maximizing Life), the first anticipated whole life product (Fulfilling Life) and the first Term/Critical Illness combination product (Conquering Life). Conquering Life is an innovative term and critical illness product that has been launched recently. Conquering Life provides affordable term cover and critical illness coverage for 10 critical illnesses of upto 50% of the Sum Assured. ING Vysya Life declared a bonus in September 2002 of 5% (cash bonus - payable immediately) and 4% (reversionary bonus - payable at the end of the term).

The company has over 25,000 customers at the end of 2002 and has achieved a first premium income of Rs. 17 crores in 2002.

ING Vysya Life Insurance is a joint venture between ING Insurance International BV a part of ING Group, the world's largest life insurance company (Fortune Global 500, 2002), ING Vysya Bank, with 1.5 million customers and over 400 outlets and GMR Technologies and Industries Limited, part of GMR Group also based in Bangalore and involved in the field of power generation, infrastructural development and several other businesses.

ING Vysya Life has a paid up capital of Rs.140 crores and an authorised capital of Rs. 200 crores.

Life insurance products offered by the company are:

1)Protection plan

- Critical illness plan
- Endowment plan

2) Savings plan

- Endowment plan
- Child protection plan
- Money back plan

3)Investment Plan

- Whole life plan
 - Limited payment endowment plan
 - Anticipated whole life plan
-
-

TATA-AIG LIFE INSURANCE

Tata-AIG Life Insurance company is a joint venture between the Tata Group and American International Group Inc (AIG), the leading US-based international insurance and financial services organization and the largest underwriter of commercial and industrial insurance in America.

Its member companies write a wide range of commercial, personal and life insurance products through a variety of distribution channels in approximately 130 countries and jurisdictions throughout the world. AIG's global businesses also include financial services and asset management, including aircraft leasing, financial products, trading and market making, consumer finance, institutional, retail and direct investment fund asset management, real estate investment management, and retirement savings products.

Areas of business

Tata-AIG Life Insurance products include a broad array of life insurance coverage to both individuals and groups. For groups, the company has life products whereas for individuals, it has term products, endowment products as well as money-back products. For groups and individuals, various types of add-ons and options are available to given consumers flexibility and choice.

HDFC STANDARD LIFE

The Partnership:

HDFC and Standard Life first came together for a possible joint venture, to enter the Life Insurance market, in January 1995. It was clear from the outset that both companies shared similar values and beliefs and a strong relationship quickly formed. In October 1995 the companies signed a 3 year joint venture agreement. Around this time Standard Life purchased a 5% stake in HDFC, further strengthening the relationship.

The next three years were filled with uncertainty, due to changes in government and ongoing delays in getting the IRDA (Insurance Regulatory and Development authority)

Act passed in parliament. Despite this both companies remained firmly committed to the venture.

In October 1998, the joint venture agreement was renewed and additional resource made available. Around this time Standard Life purchased 2% of Infrastructure Development Finance Company Ltd. (IDFC). Standard Life also started to use the services of the HDFC Treasury department to advise them upon their investments in India.

Towards the end of 1999, the opening of the market looked very promising and both companies agreed the time was right to move the operation to the next level. Therefore, in January 2000 an expert team from the UK joined a hand picked team from HDFC to form the core project team, based in Mumbai. Around this time Standard Life purchased a further 5% stake in HDFC and a 5% stake in HDFC Bank. In a further development Standard Life agreed to participate in the Asset Management Company promoted by HDFC to enter the mutual fund market. The Mutual Fund was launched on 20th July 2000

Incorporation of HDFC Standard Life Insurance Company Limited:

The company was incorporated on 14th August 2000 under the name of HDFC Standard Life Insurance Company Limited. Companies ambition from as far back as October 1995, was to be the first private company to re-enter the life insurance market in India. On the 23rd of October 2000, this ambition was realised when HDFC Standard Life was the only life company to be granted a certificate of registration.

HDFC are the main shareholders in HDFC Standard Life, with 81.4%, while Standard Life owns 18.6%. Given Standard Life's existing investment in the HDFC Group, this is the maximum investment allowed under current regulations. HDFC and Standard Life have a long and close relationship built upon shared values and trust. The ambition of HDFC Standard Life is to mirror the success of the parent companies and be the yardstick by which all other insurance company's in India are measured.

Products offered by the company are:

INDIVIDUAL PLAN

- With Profit Endowment Assurance
- With Profits Money Back
- Single Premium Whole of Life
- Term assurance Plan
- Loan Cover Term Assurance
- Personal Pension Plan
- Children's Plan

GROUP PLANS

- 1) Group Term Insurance
- 2) Development Insurance Plan

ICICI Prudential life insurance company

ICICI Prudential Life Insurance Company is a joint venture between ICICI, a premier financial powerhouse and Prudential plc, a leading international financial services group headquartered in the United Kingdom. ICICI Prudential was amongst the first private sector insurance companies to begin operations in December 2000 after receiving approval from Insurance Regulatory Development Authority (IRDA). ICICI Prudential equity base stands at Rs. 5.25 billion with ICICI Bank and Prudential plc holding 74% and 26% stake respectively. As of June 30, 2003, the company had issued nearly 400,000 policies with a sum assured in excess of Rs 9,700 crore and total premium income of over Rs. 640 crore. Today the company is the number one private life insurer in the country

Products offered by ICICI Prudential are

2) Savings Plan

- Smart kid
 - Life Time
 - Save 'n' Protect
 - Cash Bak
-
-

3) Protection plan

- Life Guard
- Extra Protection Through
- Riders

4) Retirement Plans

- Forever Life
- Life link pension
- Life time pension
- Reassure

5) Investment Plans

- Assure Invest
- Life Link

6) Group plans

- Group Superannuation
 - Group Gratuity
 - Group Term Assurance
-

OM Kotak Mahindra Life Insurance Company

OM Kotak Mahindra Life Insurance Company Limited (OMKM), is a joint venture between Kotak Mahindra Bank Ltd.(KMBL), and Old Mutual plc. At OMKM, the aim is to help customers take important financial decisions at every stage in life by offering them a wide range of innovative life insurance products, to make them financially independent. Jeene Ki Azaadi...

The Products offered by the Company are

Individual Plan

- Kotak Endowment Plan
 - Kotak Term Plan
 - Kotak Retirement Income Plan
 - Kotak Child Advantage Plan
 - Kotak Preferred Term Plan
 - Kotak Capital Multiplier Plan
 - Kotak Safe Investment Plan
 - Riders
 - Exclusions Under Riders
-
-

Birla Sun life Insurance Company

Birla Sun Life Financial Services offers a range of financial services for resident Indians and Non Resident Indians. Brought together by two large, powerful and reputed business houses, the Aditya Birla Group and Sun Life Financial, it is our aim to offer diverse and top quality financial services to customers. The Mutual Fund and Insurance companies provide wealth management and protection products to customers while the Distribution and Securities companies provide brokerage and trading services for investment in equities, debt securities, fixed deposits, etc.

Insurance is not about something going wrong. It's often about things going right. One of the wonders of human nature is that we never believe anything can actually go wrong. Surely, life has its share of ifs. At Birla Sun Life however, they believe it has its equally pleasant share of buts as well. Birla Sun Life stand committed to help you realise those happy moments which make a life. Be it living the same lifestyle in your post retirement days or providing a secure future for your loved ones, in case something happens to you.

MAX NEW YORK LIFE INSURANCE

Max New York Life today emerged as the country's leading private life insurance company having recorded a sum assured of over Rs 2100 crore for the year ending March 31, 2002. This was the first full year of operations for Max New York Life.

The company has sold over 64,000 policies in the last financial year. The total annualized first year premium for the financial year was over Rs 43 crore with the First Year Premium Income amounting to over Rs 38 crore. This has exceeded the expectations of the company and the projections as submitted to IRDA. Over 70 per cent of the premium income was from protection-oriented Whole Life Policies, which reinforces the company's focus on providing the true value of life insurance to the customer.

Given the better-than-expected performance of the company, the shareholders have increased their investment in the company to Rs 250 crore with an authorised share

capital to Rs 300 crore making Max New York Life Insurance Company among the highest capitalized life insurance companies in India

Max New York Life also met its commitment for the rural and social sectors.

The company has 11 offices, over 1900 Agent Advisors and over 490 employees. Max New York Life believes in delivering top value to all its stakeholders. As part of the best practices adopted, the Company instituted satisfaction survey's conducted by independent agencies to measure the satisfaction levels of its customers, agents and employees. Max New York Life has clearly emerged as delivering top value across all these stakeholders

Max New York Life offers a suite of flexible products. It has eight base products and nine options & riders that can be customized to over 250 combinations enabling customers to choose the policy that best fits their need

CHAPTER – IV

DATA ANALYSIS & INTERPRETATION

INTRODUCTION TO ANALYSIS:

In order to extract meaningful information from the data them. The analysis can be conducted by using simple statistical tools like percentages, averages and measures of dispersion. Alternatively the collected data may be analyzed collected, the data analysis is carried out. The data are first edited, coded and tabulated for analyzing by using diagrams, graphs, charts, pictures etc. Data analysis is the process of planning the data in an ordered form, combining them with the existing information and extracting from them Interpretation is the process of drawing conclusions from the gathered data in the study. In this research the researcher has analyzed the data using percentages and graphs.

DATA ANALYSIS TOOLS USED:

In this research the data analysis tools used are percentages and graphs. The various attributes were analyzed separately and the importance to each was calculated on the basis of the percentage. The rank having the maximum percentage was taken to be preferred importance to the particular attribute. After looking at each attribute separately, all the attributes were considered together to develop a map on the most preferred rank for all the attributes.

TABLE 1

AGE OF RESPONDENTS :-

SL.NO	AGE IN YEARS	NUMBER OF RESPONDENTS	PERCENTAGE OF RESPONDENTS
1.	19 – 28	28	56 %
2.	29 – 38	9	18 %
3.	39 – 48	6	12 %
4.	49 – 58	6	12 %
5.	59 – 68	0	0 %
6.	69 – 78	1	2 %
	TOTAL	50	100 %

SOURCE :- SURVEY DATA

INFERENCE: The above table classified the respondents according to their age group.

The majority of the respondents belong to the age group 19 to 28 years with 56% and the second age group is 29 to 38 years with 18%, followed by 39 to 48 years and 49 to 58 years with 12% each.

GRAPH 1
AGE OF RESPONDENTS

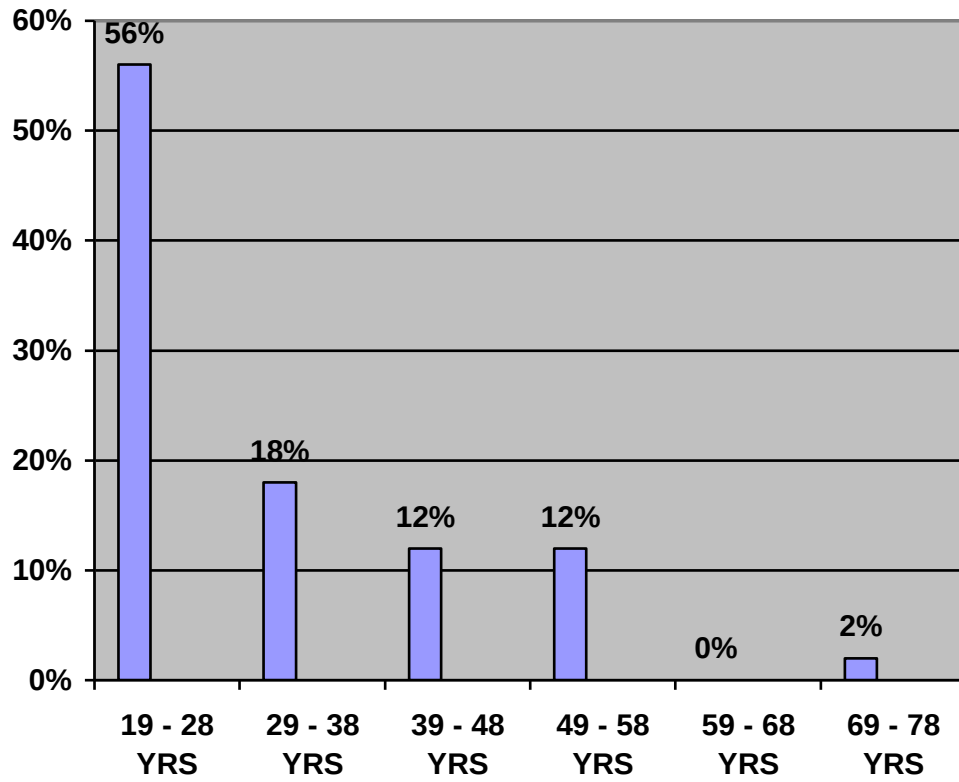


TABLE 2

DIFFERENCIATION OF THE RESPONDENTS INTO MALE AND FEMALE

TYPES OF RESPONDENTS	NUMBER OF RESPONDENTS	PERCENTAGE OF RESPONDENTS
MALE RESPONDENTS	37	74 %
FEMALE RESPONDENTS	13	26 %
TOTAL	50	100 %

SOURCE :- SURVEY DATA

INFERENCE: This table helps us to understand that there are more number of male consumers with 74% market share than the female consumers with 26% market share.

GRAPH 2

DIFFERENCIATION OF THE RESPONDENTS INTO MALE AND FEMALE

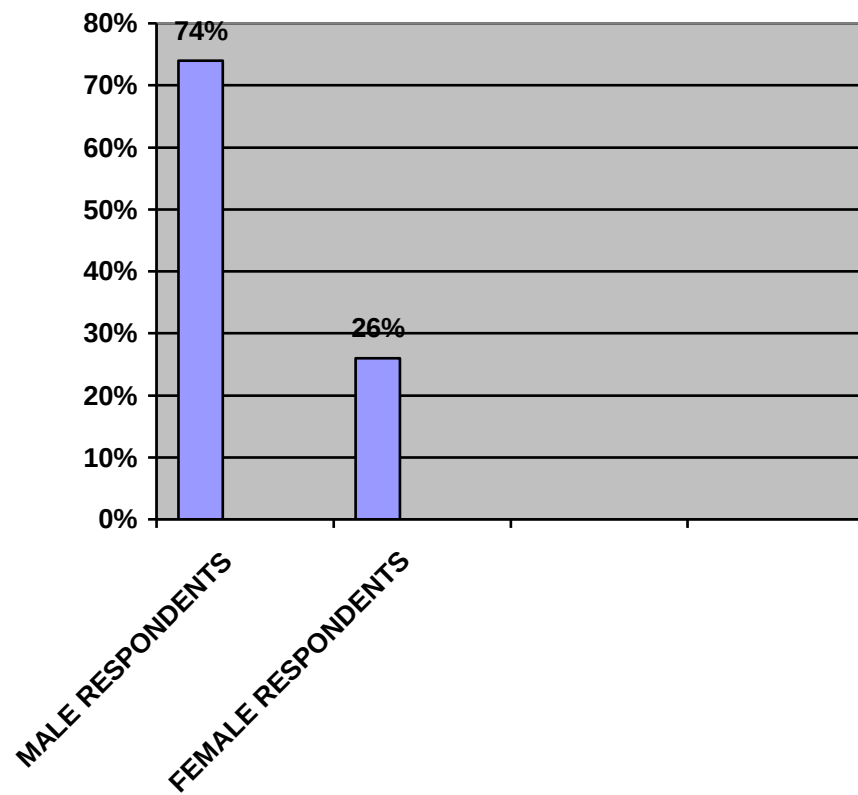


TABLE 3

DIFFERENCIATION OF RESPONDENTS BASED ON THEIR OCCUPATION

SL.NO	OCCUPATION	NUMBER OF RESPONDENTS	PERCENTAGE OF RESPONDENTS
1.	STUDENTS	2	4 %
2.	GOVERNMENT EMPLOYEES	20	40 %
3.	PRIVATE EMPLOYEES	24	48 %
4.	HOUSE WIVES	2	4 %
5.	RETIRED PERSONS	2	4 %
	TOTAL	50	100 %

SOURCE :- SURVEY DATA

INFERENCE: It could be inferred that majority of consumers of life insurance policies are private employees with 48% and Government employees with 40%, followed by students, house wives and retired persons with 4 % each.

GRAPH 3

DIFFERENTIATION OF RESPONDENTS BASED ON THEIR OCCUPATION

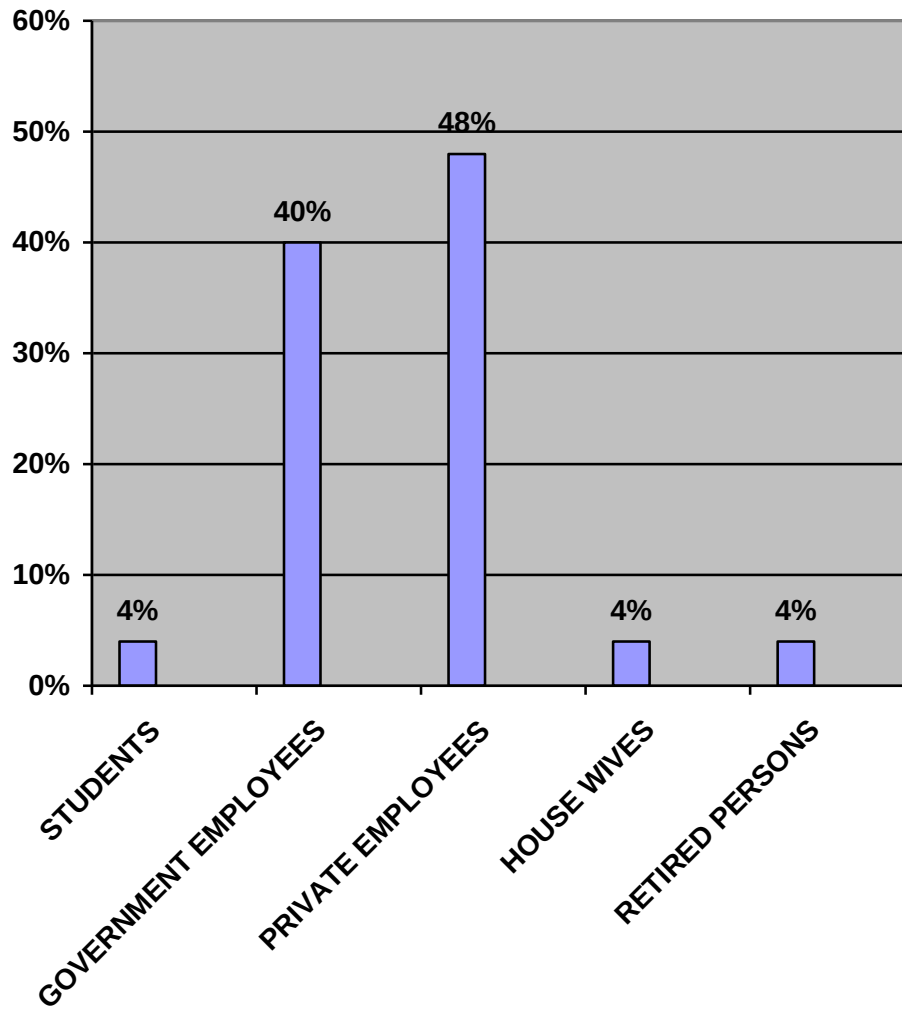


TABLE 4

TABLE SHOWING INCOME GROUP OF RESPONDENTS

SL.NO	INCOME GROUP	NUMBER OF RESPONDENTS	PERCENTAGE OF RESPONDENTS
1.	LESS THAN 5000	9	18 %
2.	5001 – 10,000	17	34 %
3.	10001 – 15000	12	24 %
4.	15001 – 20000	7	14 %
5.	20001 – 25000	2	4 %
6.	GREATER THAN 30000	1	2 %
7.	NIL	2	4 %
	TOTAL	50	100 %

SOURCE :- SURVEY DATA

INFERENCE: The majority of dominant income group having life insurance policies belong to the income group of 5,001 to 10,000, which is middle class group. Followed by the income group of 10,001 to 15,000.

GRAPH 4

GRAPH SHOWING INCOME GROUP OF RESPONDENTS

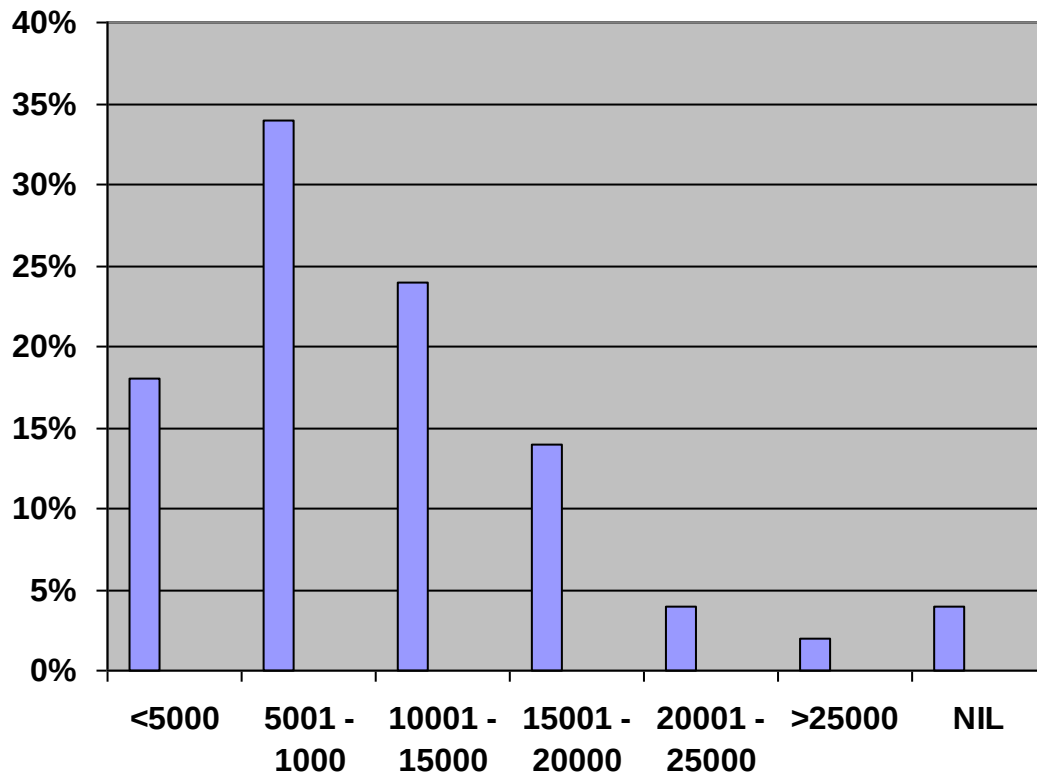


TABLE 5

**DIFFERENCIATION OF RESPONDENTS ACCORDING TO THE
ASSETS OWNED**

SL.NO	ASSETS	NUMBER OF RESPONDENTS	PERCENTAGE OF RESPONDENTS
1.	HOUSE	19	38 %
2.	TWO WHEELER	26	52 %
3.	CAR	5	10 %
	TOTAL	50	100 %

SOURCE :- SURVEY DATA

INFERENCE: This table helps us to know that most of consumers with life insurance policies own two wheelers with 52%, 19% of consumers own house and 5% of the consumers own car.

GRAPH 5

DIFFERENCIATION OF RESPONDENTS ACCORDING TO THE ASSETS OWNED

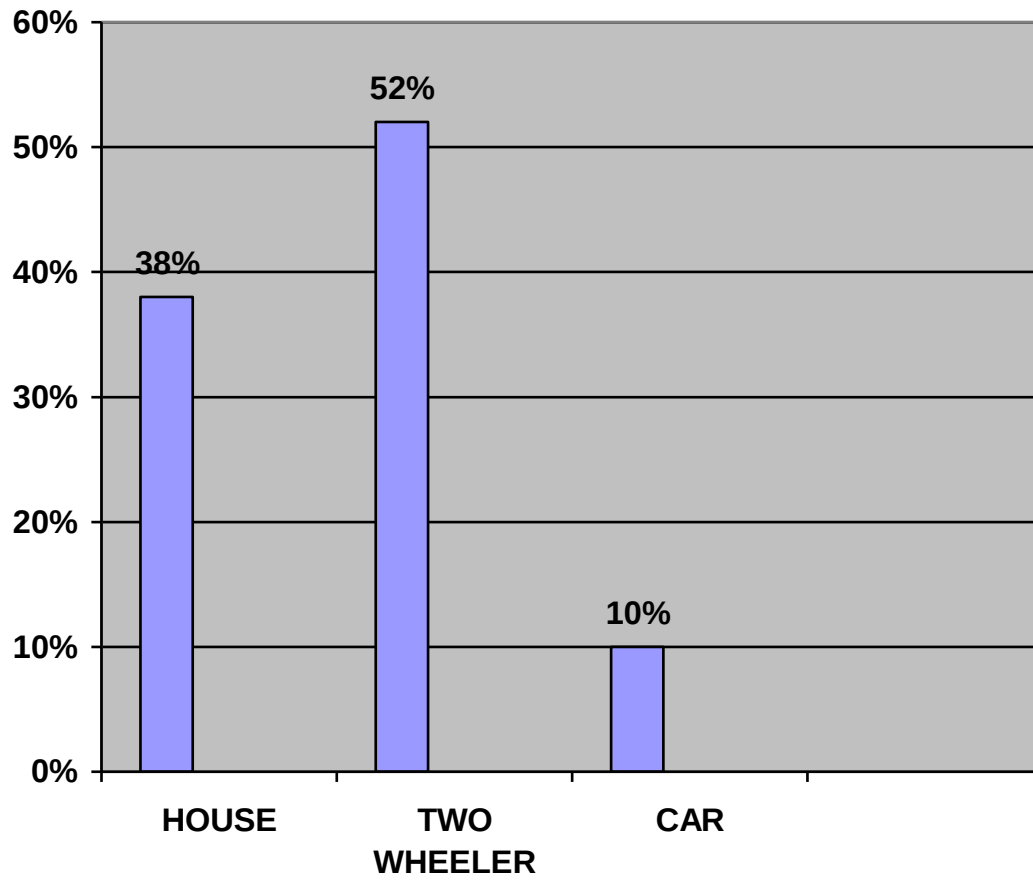


TABLE 6

MARKET SHARE OF DIFFERENT LIFE INSURANCE COMPANIES

COMPANIES	NUMBER OF RESPONDENTS	PERCENTAGE OF RESPONDENTS
LIC	39	78 %
TATA AIG	1	2 %
HDFC	3	6 %
ICICI	4	8 %
MAX NEWYORK	1	2 %
KOTAK MAHINDRA	1	2 %
ALLIANCE BAJAJ	1	2 %

SOURCE :- SURVEY DATA

INFERENCE: This table helps us to understand the market share of different life insurance companies. LIC has a major share of 78 %, followed by ICICI Prudential with 8% market share, followed by HDFC Standard Life with 6% market share.

GRAPH 6

MARKET SHARE OF DIFFERENT LIFE INSURANCE COMPANIES

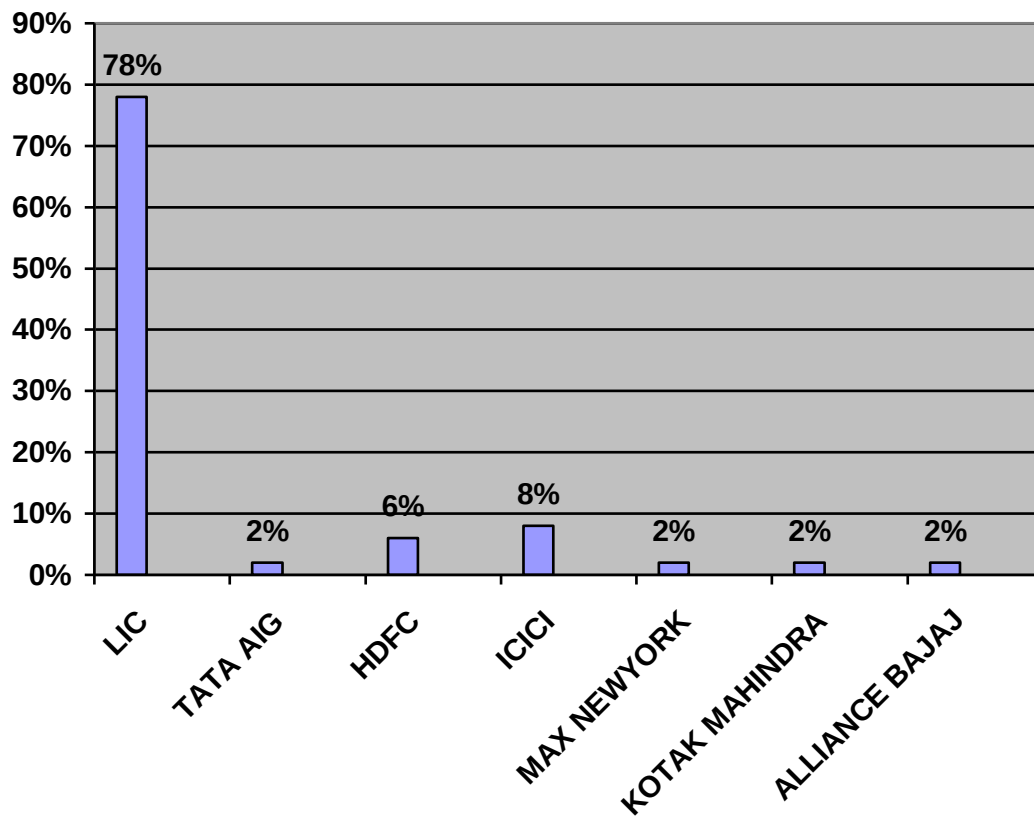


TABLE 7

TABLE SHOWING ATTRIBUTES FROM RESPONDENTS

SL.NO	ATTRIBUTE	SCORE	RANK
1.	RETURN ON INVESTMENT	30	1
2.	COMPANY REPUTATION	25	2
3.	PREMIUM OUTFLOW	22	3
4.	SERVICE QUALITY	19	4
5.	PRODUCT QUALITY	17	5

SOURCE :- SURVEY DATA

INFERENCE: This table shows the strengths and weaknesses of the brand, and what are the important criteria or attributes on which decision making is done. From this table we can infer that consumers give more importance for Return on investment, secondly they prefer company reputation, and then premium outflow followed by service quality and product quality.

GRAPH 7

GRAPH SHOWING ATTRIBUTES FROM RESPONDENTS

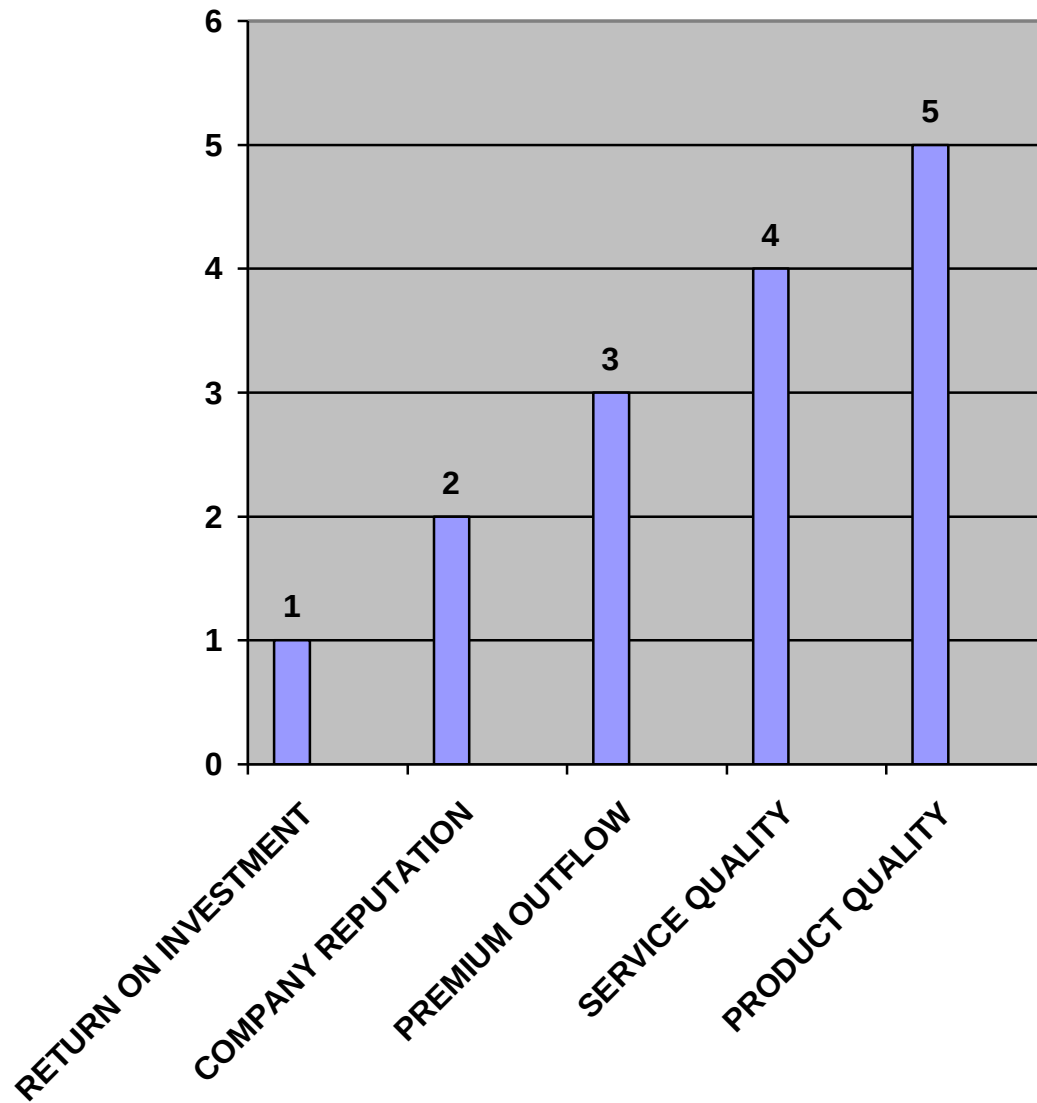


TABLE 8

FACTORS WHICH INFLUENCED TO BUY LIFE INSURANCE POLICY

SL.NO	FACTORS	SCORES	RANK
1.	PERSONAL INTEREST	28	1
2.	FAMILY	16	2
3.	FRIENDS	8	3
4.	AGENTS	6	4
5.	ADVERTISEMENT	3	5
6.	OTHERS	1	6

SOURCE :- SURVEY DATA

INFERENCE: This table is helpful in knowing which media is best suitable for promoting a life insurance product. It can be seen that personal factor influences a consumers to buy a life insurance product, followed by family, friends, agents and advertisements.

GRAPH 8

FACTORS WHICH INFLUENCED TO BUY LIFE INSURANCE POLICY

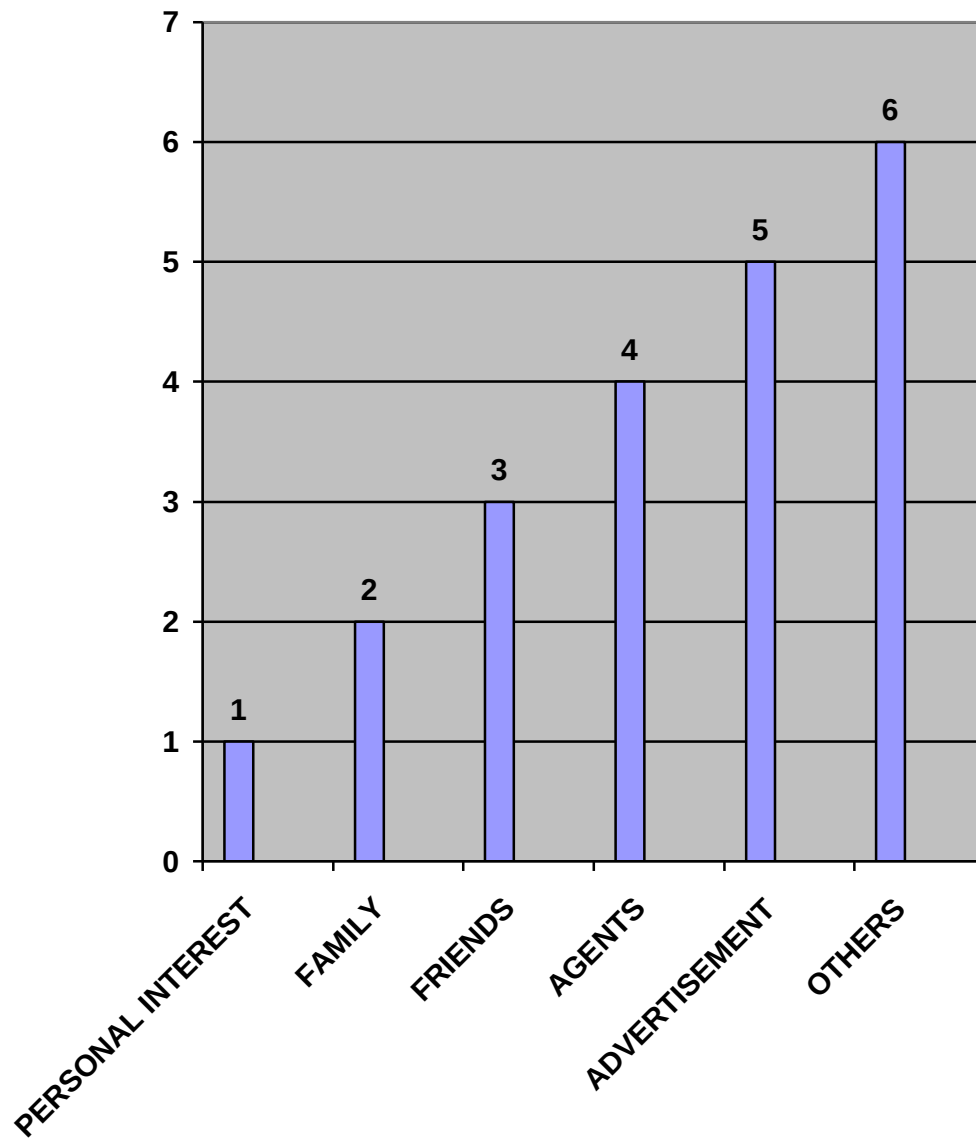


TABLE 9

VALUE OF RESPONDENTS LIFE INSURANCE POLICY

SL.NO	AMOUNT	NUMBER OF RESPONDENTS	PERCENTAGE OF RESPONDENTS
1.	< 10000	0	0 %
2.	10000 – 25000	5	10 %
3.	25000 – 50000	8	16 %
4.	50000 – 100000	15	30 %
5.	> 100000	22	44 %

SOURCE :- SURVEY DATA

INFERENCE: It can be inferred that majority of consumers buy the life insurance policy which costs more than Rs. 1,00,000 followed by Rs. 50,000 tp Rs.1,00,000, followed by Rs. 25,000 to Rs. 50,000.

GRAPH 9

VALUE OF RESPONDENTS LIFE INSURANCE POLICY

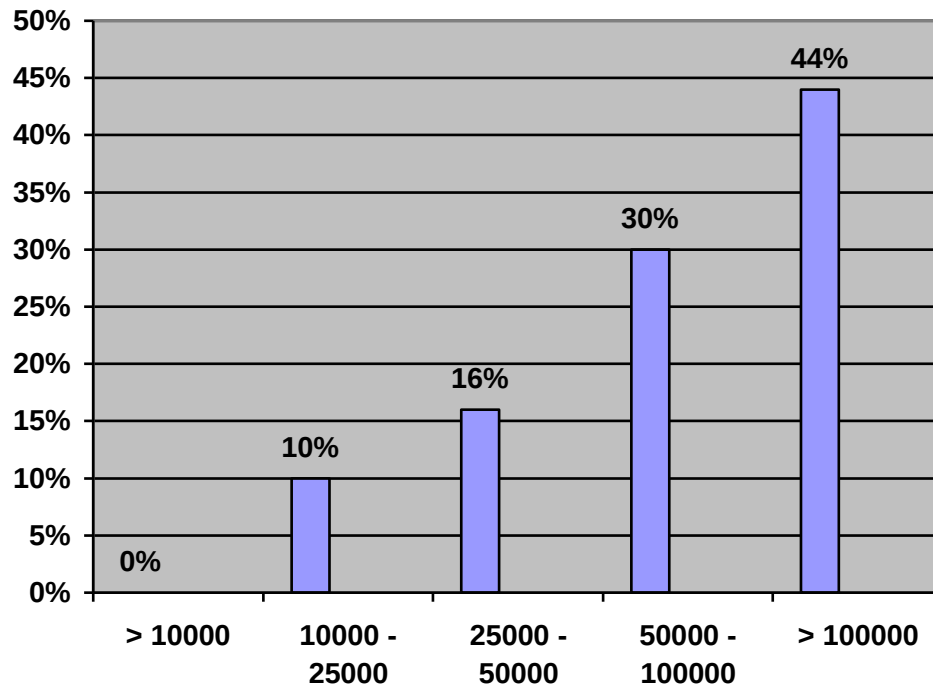


TABLE 10

RESPONDENTS PREFERENCE TO INVEST THEIR MONEY

	NUMBER OF RESPONDENTS	PERCENTAGE OF RESPONDENTS
INSURANCE COMPANY	24	48 %
BANK	26	52 %
TOTAL	50	100 %

SOURCE :- SURVEY DATA

INFERENCE: From the table it is clear that majority of people (52%) prefer to invest in Bank and others (48%) prefer to invest in Insurance companies.

GRAPH 10

RESPONDENTS PREFERENCE TO INVEST THEIR MONEY

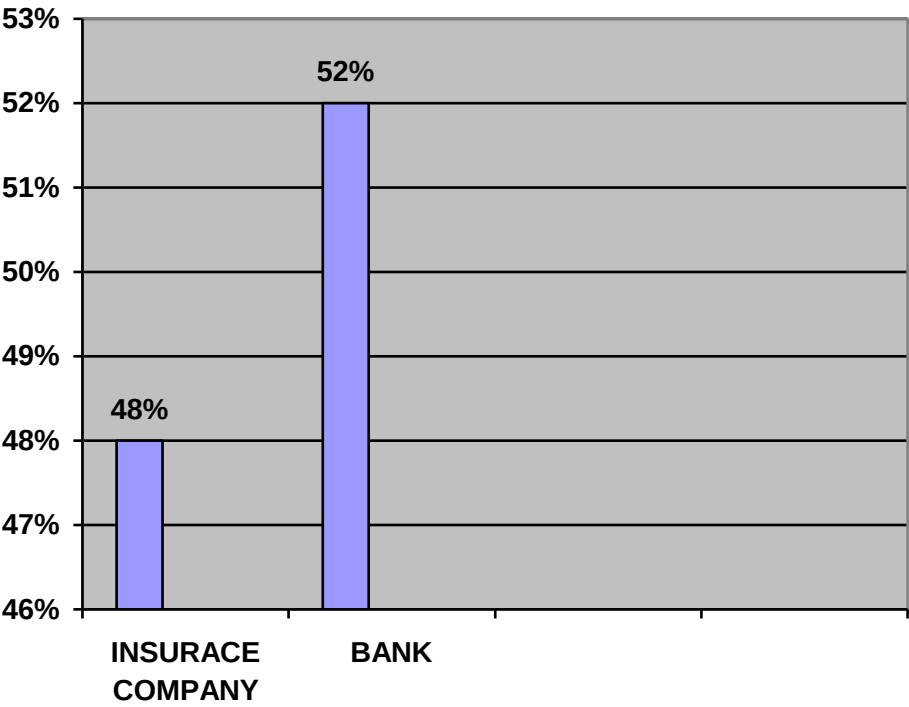


TABLE 11

**SATISFACTION OF RESPONDENTS WITH CURRENT LIFE INSURANCE
COMPANY**

RESPONSE	NUMBER OF RESPONDENTS	PERCENTAGE OF RESPONDENTS
YES	47	94 %
NO	3	6 %
TOTAL	50	100 %

SOURCE :- SURVEY DATA

INFERENCE: From this table it could be inferred that 94% of the consumers are satisfied with the service and quality of products of their life insurance companies. Only 6% of consumers are not satisfied.

GRAPH 11

**SATISFACTION OF RESPONDENTS WITH CURRENT LIFE INSURANCE
COMPANY**

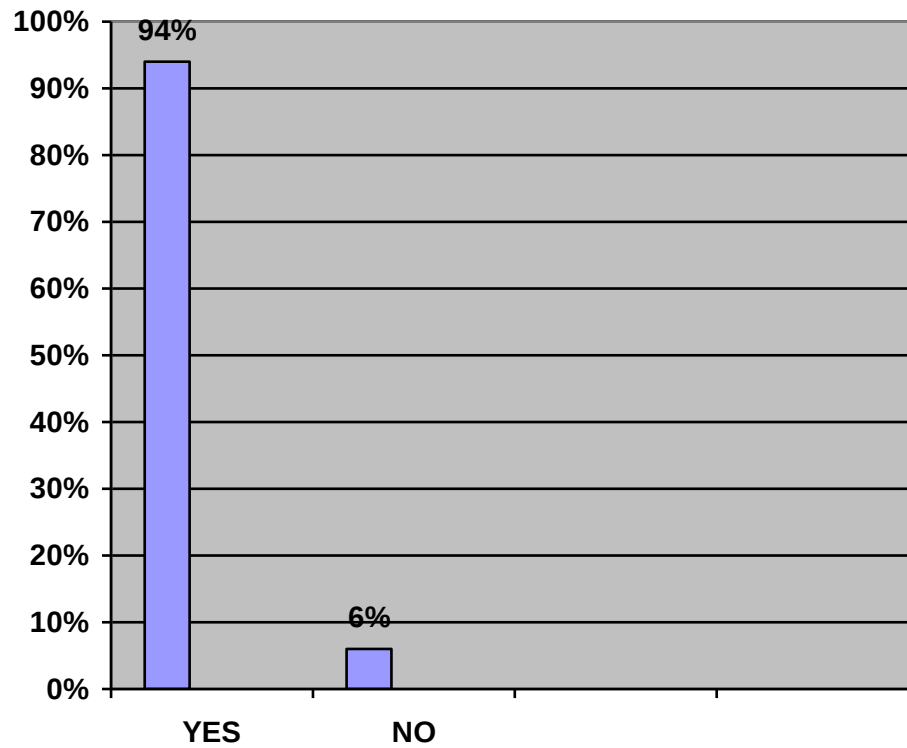


TABLE 12

**RATINGS OF THE SERVICES OFFERED BY THE RESPONDENT'S LIFE
INSURANCE COMPANY**

RATINGS	NUMBER OF RESPONDENTS	PERCENTAGE OF RESPONDENTS
EXCELLENT	7	14 %
VERY GOOD	12	24 %
GOOD	20	40 %
AVERAGE	11	22 %
POOR	0	0 %
TOTAL	50	100 %

SOURCE :- SURVEY DATA

INFERENCE: From this table it could be inferred that 40% of the consumers have rated service offered as good, 24% of them have rated them as very good, 22% of them have rated as average and 14% of them have rated as excellent.

GRAPH 12

**RATINGS OF THE SERVICES OFFERED BY THE RESPONDENT'S LIFE
INSURANCE COMPANY**

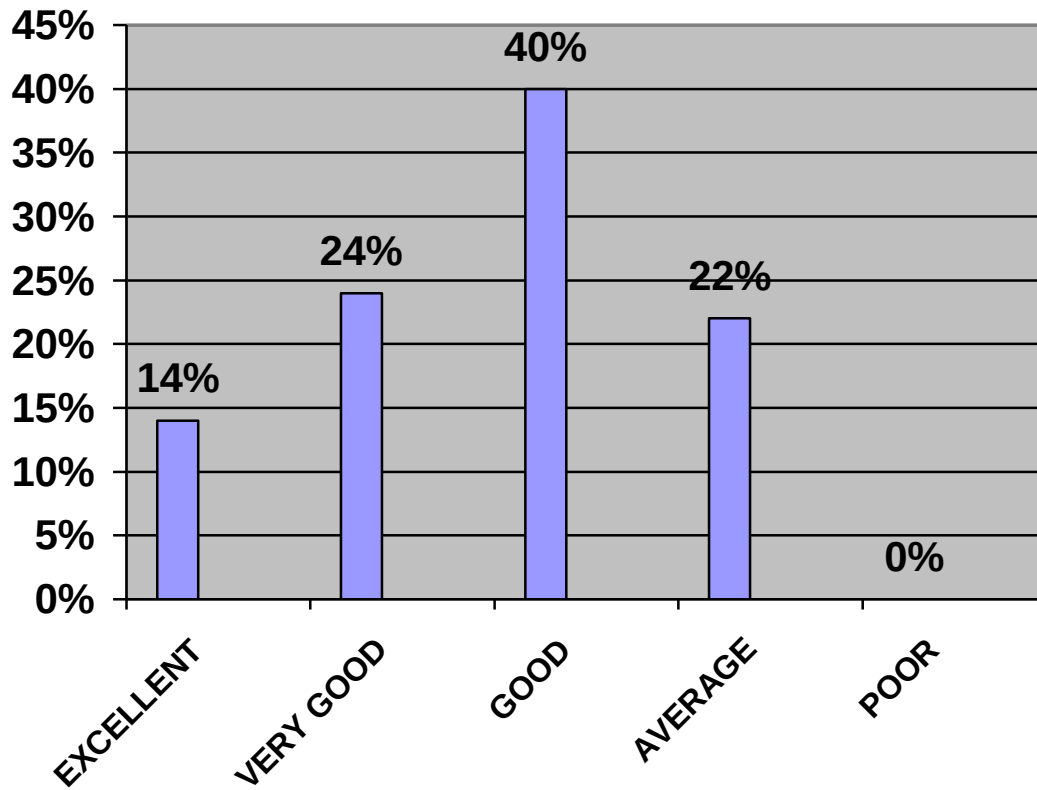


TABLE 13

**CONSUMERS WILLINGNESS TO COMMUNICATE THE SERVICE OFFERED
BY THEIR LIFE INSURANCE COMPANY**

RESPONSES	NUMBER OF RESPONDENTS	PERCENTAGE OF RESPONDENTS
YES	39	78 %
NO	11	22 %
TOTAL	50	100 %

SOURCE :- SURVEY DATA

INFERENCE: From this table it can be noted that the majority of consumers (78%) would like to communicate the service offered by life insurance companies and 22% of consumers would not like to communicate the service offered.

GRAPH 13

**CONSUMERS WILLINGNESS TO COMMUNICATE THE SERVICE OFFERED
BY THEIR LIFE INSURANCE COMPANY**

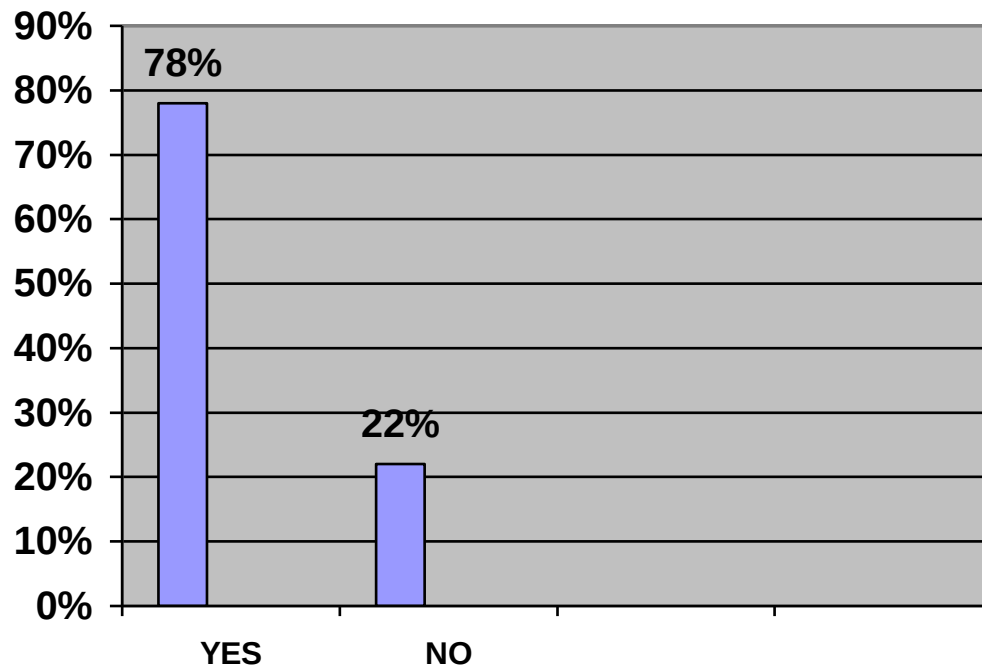


TABLE 14

NUMBER OF LIFE INSURANCE COMPANY KNOWN BY RESPONDENTS

NUMBER OF LIFE INSURANCE COMPANY KNOWN	NUMBER OF RESPONDENTS	PERCENTAGE OF RESPONDENTS
< 5	29	58 %
5 – 7	18	36 %
8 – 10	2	4 %
>10	1	2 %
TOTAL	50	100 %

SOURCE :- SURVEY DATA

INFERENCE: This table helps us to know the consumer awareness about the life insurance companies. 58% of the consumers are aware about less than 5 life insurance companies, followed by 36% consumers who know 5 to 7 life insurance companies.

GRAPH 14

NUMBER OF LIFE INSURANCE COMPANY KNOWN BY RESPONDENTS

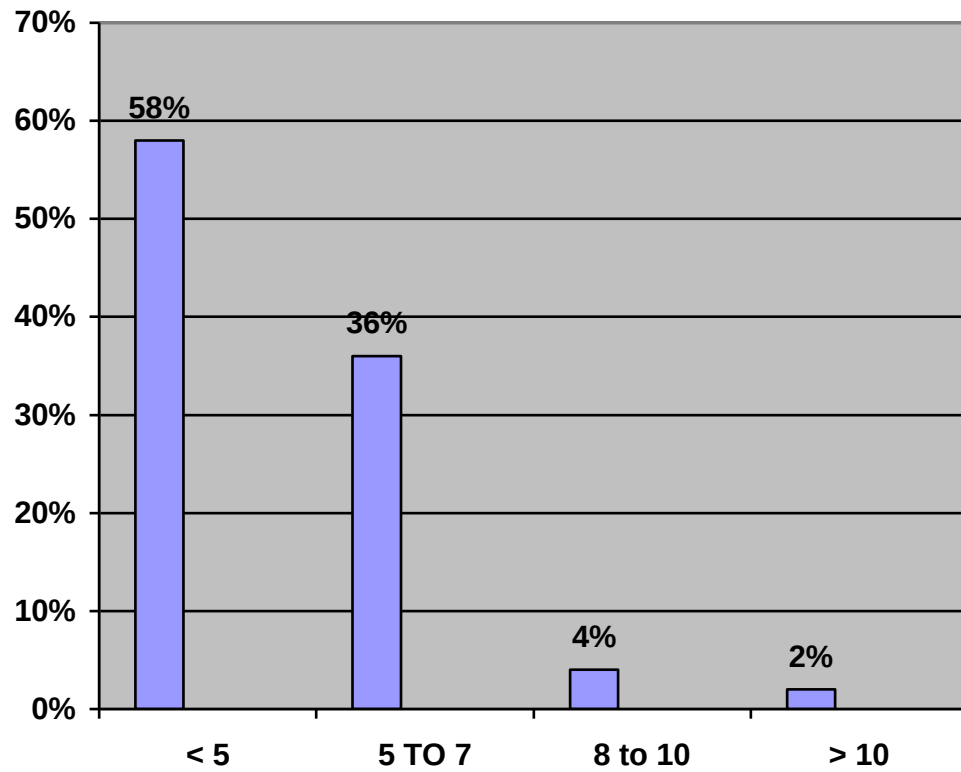


TABLE 15

SCORES OF DIFFERENT LIFE INSURANCE COMPANIES

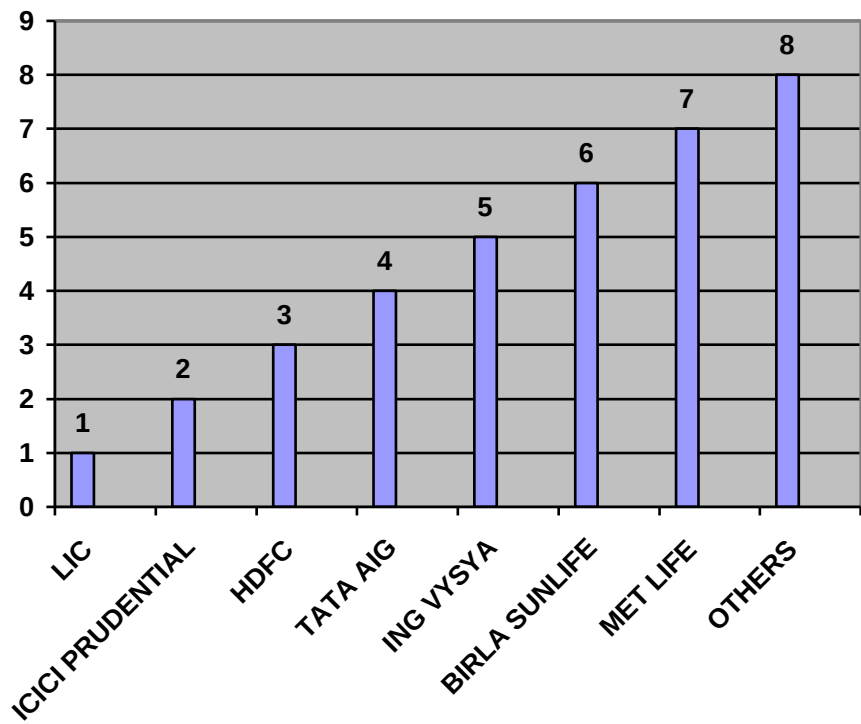
COMPANIES	SCORES	RANK
LIC	345	1
ICICI PRUDENTIAL	211	2
HDFC	194	3
TATA AIG	123	4
ING VYSYA	121	5
BIRLA SUNLIFE	118	6
MET LIFE	90	7
OTHERS	41	8

SOURCE:- SURVEY DATA

INFERENCE: From the table we can rank the life insurance companies, LIC stands first, followed by ICICI Prudential followed by HDFC Standard life, followed by TATA AIG.

GRAPH 15

SCORES OF DIFFERENT LIFE INSURANCE COMPANIES



SUMMARY OF FINDINGS

- The majority of respondents belong to the age group of 19 to 28 years with 56% followed by age group of 29 to 38 years with 18%.
 - The male consumers capture the Market share with 74%, followed by the female consumers with 26%.
 - The majority of the consumers of life insurance policies are private employees with 48% and Government employees with 40%
 - The dominant income group having life insurance group belong to the group of 5001 to 10,000 followed by 10,001 to 15,000.
 - LIC has a major market share of 78%.
 - The factors which influenced to buy life insurance policy is the personal factor, followed by family, friends, agents and advertisements.
 - The value of respondents life insurance policy costs more than 1,00,000 followed by 50,000 to 1,00,000.
 - Majority of the people (52%) prefer to invest in bank others (48%) prefer to invest in insurance company.
 - Majority of consumers are satisfied with the service and quality of products of their life insurance companies.
 - Majority of consumers(78%) would like to communicate the service offered by life insurance companies.
 - Majority of consumers(58%) are aware about less than 5 life insurance companies.
 - LIC stands first followed by ICICI prudential, followed by HDFC Standard Life.
-
-

RECOMMENDATIONS AND SUGGESTIONS

With regard to insurance products, consumers respond at different rates, depending on the consumers characteristics. Hence Insurance companies should try to bring their new product to the attention of potential early adopters.

a) Due to the intense competition in the life insurance market, the life insurance companies have to adopt better strategies to attract more customers.

b) Keeping the cost, quality and return on investment in tact is necessary in order to tackle the competition.

c) Life insurance products are taken mainly by middle and higher income group. Hence they should be regarded as maim targeted income groups. Life insurance products which are suitable for lower income group should also be released for the market share increase.

d) Return on investment company reputation and premium outflow are most preferred attributes that are expected by the respondents. Hence greater focus should be given to these attributes.

e) Private life insurance companies should adopt effective promotional strategies to increase the awareness level among the consumers.

f) Life insurance companies should ask for their consumer feedback to know whether the consumers are really satisfied or dissatisfied with the service and product of the companies. If they are dissatisfied, then the reasons for dissatisfaction should be found out and should be corrected in future.

g) The LIC brand name has earned a lot of goodwill and enjoys a high brand equity. As there is intense competition in life insurance market, LIC should work hard to maintain its top position and offer better service and product.

CONCLUSION

Businesses today face three major challenges and opportunities: globalization and advance in technology and de-regulation. Marketing is typically seen as the task of creating, promoting and delivering goods and services to consumers and business and marketers are involved in marketing much type of entities: goods, service, information etc. among these services marketing has an eminent role in this present century. Consumers are in present days marketing. So it is important to a marketer to analyze and perceive the consumer behavior. Life insurance is no longer being bought only as a savings tool but is increasing being sold for protection.

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The making of this project involves help and assistance from many textbooks of management and marketing. The websites have also been a very useful source of information.

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 - www.economictimes.com
 - www.insuranceindia.com
-

QUESTIONNAIRE

Dear Sir\Madam,

I am **SYED WASIM BARI**, student of Al-Ameen Institute of Management Studies, Bangalore– MBA Programme , final year MBA (Finance) doing a project in the topic “**CONSUMER PERCEPTION TOWARDS BAJAJ ALLIANZ LIFE INSURANCE**”

I need some important information from you for the completion of my project .Would you please spare some time to answer my queries

I assure that your answers will be kept confidential and will be used for the my academic purpose only

PART A

1.Name:

2. Sex:

Male ()

Female ()

3. Age:

20-30()

30-40()

40-50()

50 & above ()

4. Education:

Secondary ()

PUC ()

Degree ()

Post graduation ()

5. Occupation:

Government employee () Self employee ()
Business man () Private sector employee ()

6. Annual income:

4 lakh () 4-10 lakh ()
10-20 lakh () Above 20 lakh ()

PART B

7. Which market share is more profitable in respect of Life Insurance Company?

LIC [] TATA AIG [] HDFC []
MAX NEWYORK [] KOTAK MAHINDRA []
BAJAJ ALLIANZ [] ICICI []

8. Which mode would you like to prefer to invest Insurance Policy?

PERSONAL INTEREST [] FAMILY [] FRIENDS []
AGENT [] ADVAERTISEMENT [] OTHERS []

9. How much amount could you prefer to invest in Insurance Policy?

< 10,000 [] 10,000-25,000 [] 25,000-50,000 []
50,000-1,00,000 [] > 1,00,000 []

10. Where you want to keep your money?

BANK []

INSURANCE COMPANY []

11. Are you satisfied to invest in Life Insurance Company?

YES []

NO []

12. Are you satisfied the services provided by Life Insurance Company?

YES []

NO []

13. Which Insurance Company would you preferred to invest your money?

LIC []

ICICI PRUDENTIAL []

HDFC []

TATA AIG []

ING VYSYA []

BIRLA []

MET LIFE []

OTHERS []
